



Rockville MD 20857

MAR 27 2007

**CERTIFICATE OF INDEBTEDNESS  
FINANCIAL ASSISTANCE FOR DISADVANTAGED  
HEALTH PROFESSIONS STUDENTS SCHOLARSHIP PROGRAM**

**Mary A. Phifer  
164 Spring St.  
Ossining, NY 10562  
Ref: 31000020**

**Total debt due United States as of March 15, 2007: \$81,689.19 (principal \$43,080.00, interest \$38,609.19).**

I certify that the Department of Health and Human Services' (HHS) records show that the debtor named above is indebted to the United States in the amount stated above. In addition, interest accrues on the principal amount of this debt at the fixed rate of 13.875% per annum. Interest continues to accrue on the principal amount at the rate of \$16.38 per day.

This debt arose under the Financial Assistance for Disadvantaged Health Professions Students Scholarship (FADHPS) Program authorized under sec. 740 of the Public Health Service Act, 42 U.S.C. § 293d, as amended; implemented by regulations at 42 CFR Part 57, Subpart DD. Pub. Law. 105-392 enacted on November 13, 1998, repealed the authority for the FADHPS program but "grandfathered" the FADHPS scholarship recipients at the time of enactment.

You filed an application with HHS to participate in the FADHPS Program. The application was approved and you entered into an Agreement (hereinafter "the Agreement") with HHS.

Under the Agreement, HHS promised to make scholarship payments to an educational institution on your behalf to cover the cost of tuition plus other reasonable educational expenses, including fees, books and laboratory expenses. In return, under the Agreement you promised to:

- Attend a participating health professions school on full-time status and maintain "good standing" at this school; and
- Until the completion of the service obligation under the Agreement, keep the school informed at all times of any change in student status, address, telephone number, name, and personal references; and
- Complete the educational program for which the scholarship was awarded; and
- If attending a school of allopathic or osteopathic medicine, within four (4) years of completing the educational program complete a three-year residency training program in allopathic or osteopathic family medicine, internal medicine, pediatrics, combined medicine/pediatrics, or preventive medicine approved by the Accreditation Council for Graduate Medical Education (ACGME) or the American Osteopathic Association (AOA), or a general practice residency program approved by the AOA, including participation in a rotating or primary health care internship approved by the AOA; and practice in one of the primary health care specialties identified above for five (5) years after completing the aforementioned training; or

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- If attending a school of dentistry, practice in general dentistry for five (5) years, exclusive of any period you attend a residency training program in general dentistry approved by the Secretary of HHS. "Practicing in general dentistry" means working in the field of dentistry and not specializing in, or limiting the practice to, orthodontics, endodontics, oral surgery, prosthodontics, periodontics, or oral pathology. (A "residency training program in general dentistry" includes (1) programs of advanced education for general dentistry, general practice residency programs, and pediatric dental residency programs, provided that they are accredited by the Commission on Dental Accreditation; and (2) dental public health residency programs accredited by the Commission on Dental Accreditation, including one (1) academic year in a program accredited by the Council on Education for Public Health, leading to a Master's degree or a similar graduate degree in public health; and (3) other continuous advanced education programs in general dentistry sponsored by an institution of higher education and that are recognized entities within the institution's administrative structure, as approved by the Secretary on a case-by-case basis.

Pursuant to the Agreement, HHS made the following payments on your behalf to an educational institution: \$38,580.00 for tuition; \$4,500.00 for other educational costs; for a total of \$43,080.00.

You breached the Agreement by:

Failing to enter into and complete a three-year residency training program in allopathic or osteopathic family medicine, internal medicine, pediatrics, combined medicine/pediatrics, or preventive medicine approved by the ACGME or the AOA, or a general practice residency program approved by the AOA, including participation in a rotating or primary health care internship approved by the AOA.

Under the Agreement, within three (3) years following the date of breach of the terms you must repay to HHS the amount of the award (including amounts provided for expenses related to such attendance) and interest on such amount at the maximum prevailing rate at the time of breach.

You were notified by letter dated October 6, 2000, that you had been placed in default status for failing to fulfill the requirements of your FADHPS contract. You were advised the debt must be paid within three (3) years from the date of default. You were further advised that interest would accrue on the unpaid balance due at the applicable consumer lending rate per annum. You were also provided instructions for entering into a repayment agreement (RA) if you were unable to remit the total amount due.

In several letters dated between October 16, 2000, and June 21, 2002, you requested and were granted three deferments for the period October 23, 2000 to July 24, 2003.

On July 17, 2003, you were informed that your forbearance expired. You were advised that if you were unable to make payment in full, enclosed were instructions for entering into a RA with notice that it must be completed and returned within thirty (30) days along with a good faith payment. By letter dated July 23, 2003, you requested to enter into a RA.

On July 30, 2003, you were sent a RA which was to be signed, notarized, and returned along with your first payment by September 15, 2003. You were advised that failure to comply would result in your debt being referred to the Department of Justice (DOJ) for enforced collection.

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Your signed RA dated September 8, 2003, in which you agreed to make monthly payments of \$40.00 beginning September 15, 2003, was approved on September 12, 2003. You failed to make consistent monthly payments.

On January 26, 2006, and November 3, 2006, you were sent a final notice with instructions for entering into a RA. You were informed that unless payment in full or a fully documented RA was completed and returned within thirty (30) days, your debt would be referred to the Internal Revenue Service for offset or the DOJ for enforced collection without further notice. You remained unresponsive.

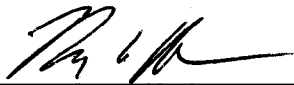
The following provides a breakdown of credits and/or payments applied to your account:

Payments to HHS	07/30/03 to 11/13/06	\$1,480.00
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The amount due should be remitted by check, draft or money order(s) payable to the "U.S. Department of Justice" and mailed directly to the United States Attorney, Southern District of New York, 86 Chambers St., 3<sup>rd</sup> Fl., New York, NY 10007.

**CERTIFICATION:** Pursuant to 28 U.S.C. 1746, I certify under penalty of perjury that the foregoing is true and correct.

MAR 27 2007  
Date

  
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Barry M. Blum  
Chief, Referral Control Section  
Debt Management Branch